



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

OCT 22 2009

Chris K. Gober, Esq.
Fish & Richardson, P.C.
1717 Main Street, Suite 5000
Dallas, TX 75201

RE: MUR 6204
Dallas County Republican Party and
Jonathan Neerman, in his official
capacity as treasurer

Dear Mr. Gober:

On October 15, 2009, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 2 U.S.C. §§ 434(b)(2), (4) and (5), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the initial payment on the civil penalty is due from Dallas County Republican Party within 30 days of the conciliation agreement's effective date and thereafter, three consecutive monthly installment payments are due within 30 days of the previous installment payment. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Delbert K. Rigsby
Delbert K. Rigsby
Attorney

Enclosure
Conciliation Agreement

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COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of)
)
Dallas County Republican Party and)
Jonathan Neerman, in his official capacity as treasurer)

OFFICE OF GENERAL
MUR 620 COUNSEL

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe the Dallas County Republican Party and Jonathan Neerman, in his official capacity as treasurer, violated 2 U.S.C. §§ 434(b)(2), (4) and (5).

NOW THEREFORE, the Commission and the Dallas County Republican Party and Jonathan Neerman, in his official capacity as treasurer ("Respondents"), having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Dallas County Republican Party ("Committee") is a political committee within the meaning of 2 U.S.C. § 431(4), and is not the authorized committee of any candidate.

2. Jonathan Neerman is the treasurer of the Committee.

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3. Each treasurer of a political committee is required to file reports of receipts and disbursements in accordance with 2 U.S.C. § 434(a). Each report shall disclose the total amount of receipts for the reporting period and for the calendar year, the total amount of disbursements for the reporting period and for the calendar year, and the name and address of each person to whom an aggregate expenditure of \$200 is made to meet a candidate or committee operating expense, together with the date, amount and purpose of such operating expenditure. 2 U.S.C. §§ 434(b)(2), (4) and (5). *See* 11 C.F.R. § 104.3(b)(3)(i)(B). *See also* Commission's Statement of Policy: "Purpose of Disbursement" Entries for Filings with Commission, 72 Fed. Reg. 887 (2007).

4. In 2006, the Committee misstated its financial activity by failing to report \$98,000 in transfers from its non-federal account to pay for allocable activity, \$53,000 in transfers for non-allocable activity to the Republican Party of Texas for non-federal mailings, \$2,997 in individual contributions, \$7,780 in in-kind contributions for a Lincoln Day Dinner silent auction as a receipt, \$177,000 in payments made to the Republican Party of Texas for non-federal mailings, \$14,099 in disbursements for shared federal and non-federal activity, \$7,780 in in-kind contributions for a Lincoln Day Dinner silent auction as a disbursement, \$749 in other disbursements, and overstating \$7,089 in disbursements for combined federal and non-federal activity and \$2,247 for another disbursement. There were also unexplained differences of \$7,935 on the receipt side and \$1,826 on the disbursement side.

5. The Committee disclosed inaccurate or incomplete disclosure or incomplete information regarding disbursements in 2005 and 2006 totaling \$344,013, consisting of three disbursements totaling \$3,956 with the incorrect amount reported, seven disbursements totaling \$27,575 with the incorrect payment date reported, forty-four disbursements totaling \$97,222 in

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staff reimbursements that did not list the staff person as the original payee, and fifty disbursements totaling \$215,261 that were identified by the Audit Division as lacking or inadequately disclosing correct or adequate purpose.

6. Following the interim audit report, the Committee complied with the recommendations of the Commission's Audit Division and amended its disclosure reports to materially correct the aforementioned misstatements of its financial activities and disclosures of disbursements.

V. 1. Respondents understated receipts and disbursements in 2006, in violation of 2 U.S.C. §§ 434(b)(2) and (4). Respondents will cease and desist from violating 2 U.S.C. §§ 434(b)(2) and (4).

2. Respondents failed to disclose required information or disclosed inaccurate information on disbursements in 2005 and 2006, in violation of 2 U.S.C. § 434(b)(5). Respondents will cease and desist from violating 2 U.S.C. § 434(b)(5).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Thirty Seven Thousand five hundred dollars (\$37,500), pursuant to 2 U.S.C. § 437g(a)(5)(A) and will send a representative to an FEC conference and contract with an independent compliance consultant with experience with FECA. The Commission is taking into account that Respondents filed amended disclosure reports correcting the problems cited in the interim audit report. The civil penalty will be paid as follows:

A. A payment of Fifteen Thousand dollars (\$15,000) is due no more than thirty (30) days from the date this Agreement becomes effective;

B. Thereafter, three consecutive monthly installment payments of Seven Thousand five hundred dollars (\$7,500) each.

C. Each such installment shall be paid within 30 days of the previous installment.

D. In the event that any installment payment is not received by the Commission by the fifth day after it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the Respondents. Failure by the Commission to accelerate the payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to further overdue installments.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission, except as otherwise expressly specified in Paragraph VI.


Conciliation Agreement
MUR 6204 (Dallas County Republican Party)

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

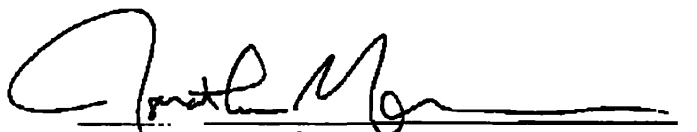
Thomasenia P. Duncan
General Counsel

BY:


Ann Marie Terzaken
Associate General Counsel
for Enforcement

10/22/09
Date

FOR THE RESPONDENTS:


(Name) Jonathan Overman
(Position) Chairman,
Dallas County Republican Party

9/1/09
Date

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